

# **EXHIBIT G**

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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:

CELSIUS NETWORK LLC, et al.,

Debtor.

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REMOTE DEPOSITION OF TIM BROADFOOT

Friday, September 1, 2023

Reported by:

Rebecca Schaumloffel, RPR, CLR

JOB #: 2023-909836

TIME: 6:594 a.m. Eastern

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07:48AM 2 that Celsius didn't just pay one deposit,  
07:48AM 3 right?

07:48AM 4 A. Celsius to pay -- previously paid  
07:49AM 5 and multiple transactions, a deposit.

07:49AM 6 Q. So wait a second. Is it your  
07:49AM 7 position that Celsius only paid one deposit?

07:49AM 8 A. Without drawing to a legal  
07:49AM 9 conclusion, the contract here refers to a  
07:49AM 10 deposit amount, and that would encompass all  
07:49AM 11 payments for that purpose.

07:49AM 12 Q. So it's your position -- well,  
07:49AM 13 withdrawn.

07:49AM 14 It says, "The amount of any  
07:49AM 15 deposit...shall be set out in Addendum A as  
07:49AM 16 'Deposit Amount'."

07:49AM 17 Do you see that?

07:49AM 18 A. Yes.

07:49AM 19 Q. And then it says, a customer will  
07:49AM 20 "forfeit the applicable deposit," correct?

07:49AM 21 A. Correct.

07:49AM 22 Q. So I just want to make this very  
07:50AM 23 clear for the record.

07:50AM 24 Is it Mawson's position that  
07:50AM 25 Celsius paid one deposit under the

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07:50AM 2 Co-Location Agreement or multiple deposits  
07:50AM 3 under the Co-Location Agreement?

07:50AM 4 MR. MARTOS: Object to form.

07:50AM 5 A. Mawson's theory is that there is a  
07:50AM 6 single contract and a single deposit.

07:50AM 7 Q. Okay. Let's turn to Addendum A,  
07:50AM 8 and that's page 17 of the PDF, it's Luna  
07:50AM 9 '1230.

07:50AM 10 You just testified that there is a  
07:50AM 11 single deposit. Let's look at the deposit  
07:50AM 12 amount section.

07:50AM 13 Do you see the contract date  
07:50AM 14 column?

07:50AM 15 A. Yes.

07:50AM 16 Q. It says, "Deposits," plural, "to  
07:50AM 17 be paid 14 days prior to commissioning of any  
07:50AM 18 units," correct?

07:50AM 19 A. Correct.

07:51AM 20 Q. So there is actually multiple  
07:51AM 21 deposits that Celsius paid under the  
07:51AM 22 contract, correct?

07:51AM 23 MR. MARTOS: Object to form.

07:51AM 24 Calls for a legal conclusion.

07:51AM 25 A. Without drawing a legal

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08:03AM 2 language under the "Monthly Power Rate"

08:03AM 3 piece, it says, "The first 50MW will be at

08:03AM 4 \$41/MWH," right?

08:03AM 5 A. It does, but that differs -- the

08:03AM 6 wording changes in the Addendum -- the

08:03AM 7 amendment.

08:03AM 8 Q. Okay. All right. So let's look

08:03AM 9 at the --

08:03AM 10 A. It's not --

08:03AM 11 Q. Got it.

08:03AM 12 All right. Let's look at the

08:03AM 13 right-hand column. It says, "Cost to

08:04AM 14 comprise of the total of."

08:04AM 15 Do you see that?

08:04AM 16 A. I do.

08:04AM 17 Q. And it says, "Luna Power Cost."

08:04AM 18 Do you see that?

08:04AM 19 A. I do.

08:04AM 20 Q. And that's effectively a

08:04AM 21 passthrough of the cost that Luna is paying

08:04AM 22 for power, right?

08:04AM 23 A. Correct.

08:04AM 24 Q. And so that's net power costs,

08:04AM 25 correct?

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08:04AM 2 A. Correct.

08:04AM 3 Q. That accounts for, for example,  
08:04AM 4 credits that Luna would receive under its  
08:04AM 5 power arrangements, right?

08:04AM 6 A. No, that is not correct.

08:04AM 7 Q. Why not?

08:04AM 8 A. That's a separate mechanism.

08:04AM 9 Q. So it's Luna's testimony that --  
08:04AM 10 or it's Mawson's testimony that the deal they  
08:04AM 11 struck was that you get to pass through the  
08:04AM 12 power costs, we have to pay a margin, but  
08:04AM 13 Mawson keeps all of the upside for credits  
08:04AM 14 and other incentives?

08:04AM 15 A. If Mawson takes out strategic  
08:05AM 16 strategies to be able to hedge its position,  
08:05AM 17 yes.

08:05AM 18 Q. Okay.

08:05AM 19 MR. MCCARRICK: We can take that  
08:05AM 20 document down.

08:05AM 21 We would like to introduce  
08:05AM 22 Mawson Exhibit 4, which is going to be  
08:05AM 23 tab 3 in the Zip, Mr. Young. It's a  
08:05AM 24 February 23, 2022, Addendum.

08:05AM 25 MR. MARTOS: If we are going to

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08:19AM 2 Q. Yeah, and I'm not trying to

08:19AM 3 exclude that. Obviously there's greater or

08:19AM 4 less amounts owed. There's interests.

08:19AM 5 There's all those bells and whistles.

08:19AM 6 But the principal amount of the

08:19AM 7 loan that Luna received under the Secured

08:19AM 8 Promissory Note was \$20 million, right?

08:19AM 9 A. That's correct.

08:19AM 10 Q. Was that \$20 million received into

08:19AM 11 Luna Squares or a different Mawson entity?

08:19AM 12 A. It was paid to Luna Squares.

08:19AM 13 Q. Okay. After it was paid to Luna

08:19AM 14 Squares, did it -- was that money ever

08:19AM 15 transferred to Mawson or Cosmos?

08:19AM 16 A. I believe it was for the purchase

08:20AM 17 of assets.

08:20AM 18 Q. Okay. When would that have

08:20AM 19 occurred?

08:20AM 20 A. In the end of Q1 and Q2 2022.

08:20AM 21 MR. MCCARRICK: Now let's go to

08:20AM 22 page 4.

08:20AM 23 Q. Do you see the "Negative

08:20AM 24 Covenants" section? And we're going to be

08:20AM 25 looking at Romanette 13, just the first one

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08:38AM 2 A. Sorry, can you just say that  
08:38AM 3 question again? I lost my train of thought  
08:38AM 4 with the objection.

08:38AM 5 Q. Yeah, sure. Yeah, sure. Yeah.

08:38AM 6 The question is, what's the  
08:38AM 7 relationship between the asset collateral,  
08:38AM 8 that is, Celsius' under the Promissory Note,  
08:38AM 9 and the debt obligations that you referenced  
08:39AM 10 yesterday at Mawson and Cosmos?

08:39AM 11 MR. MARTOS: Object to form.

08:39AM 12 A. Without speaking to any specific  
08:39AM 13 privileged conversation, it was to do with  
08:39AM 14 the movement of assets whilst potentially in  
08:39AM 15 a default situation.

08:39AM 16 Q. So fraudulent transfer concern?

08:39AM 17 MR. MARTOS: Object to form.

08:39AM 18 A. I can't speak to the legal  
08:39AM 19 terminology or reasoning, sorry.

08:39AM 20 Q. Okay. Okay. Let's go to the  
08:39AM 21 "ARTICLE III," "Representations and  
08:39AM 22 Warranties," and let's look at section 3.1,  
08:39AM 23 which is titled "Title, Perfection and  
08:39AM 24 Priority."

08:39AM 25 Take a minute to review that and



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08:39AM 2 give me the "hi" sign when you're done.

08:40AM 3 A. I've read it.

08:40AM 4 Q. Okay. It says, "Each Grantor,  
08:40AM 5 jointly and severally, represents and  
08:40AM 6 warrants to Holder."

08:40AM 7 Do you see that?

08:40AM 8 A. I do.

08:40AM 9 Q. And "Grantor" refers to, at a  
08:40AM 10 minimum, Luna, right?

08:40AM 11 A. Refers to the three entities.

08:40AM 12 Q. Okay. So just to be clear, "Each  
08:40AM 13 Grantor" means Mawson, Luna, and Cosmos,  
08:40AM 14 "jointly and severally, represents and  
08:40AM 15 warrant," right, to Celsius?

08:40AM 16 MR. MARTOS: Object to form.

08:41AM 17 A. That's what it says, yes.

08:41AM 18 Q. Okay. It says, "Such Grantor has  
08:41AM 19 good and valid rights in or the power to  
08:41AM 20 transfer the Collateral and title to the  
08:41AM 21 Collateral with respect to which it has  
08:41AM 22 purported to grant a security interest  
08:41AM 23 hereunder."

08:41AM 24 Do you see that?

08:41AM 25 A. I do.

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08:41AM 2 Q. So Luna is representing here that  
08:41AM 3 it had "good and valid rights in or the power  
08:41AM 4 to transfer the Collateral and title to the  
08:41AM 5 Collateral" in which it granted a security  
08:41AM 6 interest, correct?

08:41AM 7 A. Correct.

08:41AM 8 Q. Is that a true representation or a  
08:41AM 9 false representation?

08:41AM 10 A. It's a true representation.

08:41AM 11 Q. So it's your testimony that Luna  
08:41AM 12 had a "good and valid" right "in or the power  
08:41AM 13 to transfer the Collateral and title to the  
08:41AM 14 Collateral" in which it granted a security  
08:42AM 15 interest in the preceding paragraph -- in  
08:42AM 16 section 2.1, I should say?

08:42AM 17 A. It had the power to transfer.

08:42AM 18 Q. How did it have the power to  
08:42AM 19 transfer collateral that it never owned?

08:42AM 20 A. There is a subsequent movement of  
08:42AM 21 funds which would have a receivable, would  
08:42AM 22 allow it to transfer that collateral.

08:42AM 23 Q. What was the subsequent movement  
08:42AM 24 of funds?

08:42AM 25 A. To pay for the Collateral.

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08:50AM 2 Collateral did Luna have -- withdrawn.

08:50AM 3 What power did Luna have to

08:50AM 4 transfer the asset Collateral under the

08:50AM 5 Promissory Note without the involvement of

08:50AM 6 any of the Grantors?

08:51AM 7 A. Without involving the other party,

08:51AM 8 it --

08:51AM 9 THE COURT REPORTER: I'm sorry.

08:51AM 10 I'm sorry. Counsel, I think I lost a

08:51AM 11 word.

08:51AM 12 MR. MARTOS: There was an object

08:51AM 13 to form.

08:51AM 14 THE COURT REPORTER: And I'm not

08:51AM 15 sure I have a complete answer.

08:51AM 16 BY MR. MCCARRICK:

08:51AM 17 Q. Could you repeat your answer,

08:51AM 18 Mr. Broadfoot?

08:51AM 19 A. Can you ask the question again?

08:51AM 20 Sorry.

08:51AM 21 Q. Yeah, yeah. That's fine. It will

08:51AM 22 be cleaner that way.

08:51AM 23 A. I forgot what I said.

08:51AM 24 Q. Without the involvement of Mawson

08:51AM 25 or Cosmos, what power did Luna have to

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08:51AM 2 transfer the asset Collateral under the  
08:51AM 3 Promissory Note in which it purported to  
08:51AM 4 grant Celsius a security interest?

08:51AM 5 A. Without involving another party,  
08:51AM 6 it could not.

08:51AM 7 Q. Without involving Cosmos or  
08:52AM 8 Mawson, Luna had no power to transfer the  
08:52AM 9 asset Collateral under the Promissory Note in  
08:52AM 10 which it purported to grant Celsius a  
08:52AM 11 security interest, true?

08:52AM 12 A. Without involving them, it could  
08:52AM 13 not have feigned that. However, it would  
08:52AM 14 have had the power to cause them to be  
08:52AM 15 involved and transferred.

08:52AM 16 MR. MCCARRICK: Jeremy, can you  
08:52AM 17 stop striking through. Thank you.

08:52AM 18 Q. Well, let's talk about the power,  
08:52AM 19 right?

08:52AM 20 Mawson -- excuse me, withdrawn.

08:52AM 21 Celsius has made a request to Luna  
08:52AM 22 to make sure that the asset Collateral is  
08:52AM 23 held by Luna, correct?

08:53AM 24 A. Yes.

08:53AM 25 Q. That hasn't happened, correct?

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08:53AM 2 A. That's correct.

08:53AM 3 Q. The reason is because Mawson and  
08:53AM 4 Cosmos aren't letting it happen, correct?

08:53AM 5 A. I'm not sure that we can draw a  
08:53AM 6 distinction on --

08:53AM 7 Q. Okay. So just to be clear,  
08:53AM 8 you're --

08:53AM 9 A. -- what's stopping it.

08:53AM 10 Q. Well, fair to say that if Luna  
08:53AM 11 were to ask for the asset Collateral under  
08:53AM 12 the Promissory Note in which it grants  
08:53AM 13 Celsius' security interest to be held by Luna  
08:53AM 14 and not by Mawson and Cosmos, would that  
08:54AM 15 occur or would that not occur?

08:54AM 16 MR. MARTOS: Object to the form.

08:54AM 17 A. That's a forward-looking  
08:54AM 18 hypothetical and we would take advice on the  
08:54AM 19 matter.

08:54AM 20 Q. That's not really a hypothetical,  
08:54AM 21 though, right? I mean, Celsius already has  
08:54AM 22 asked Luna to put the Collateral in the right  
08:54AM 23 box, correct?

08:54AM 24 A. Yes. Your question asked if it  
08:54AM 25 asked them to.

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09:10AM 2 happening. And so you are asking for a  
09:10AM 3 judgment that I don't have.

09:10AM 4 Q. Sure.

09:10AM 5 The reason I'm asking is because  
09:10AM 6 it speaks to whether or not Mawson's reason  
09:10AM 7 -- understanding of the contract and when and  
09:10AM 8 how deposits are refundable is a sensible  
09:10AM 9 reading of the contract. And so I am asking  
09:10AM 10 for Mawson's judgments.

09:10AM 11 A. Okay. That's a different  
09:10AM 12 question. And if we are going to go to the  
09:10AM 13 contract and it's nondelivery and  
09:10AM 14 nonperformance, then our reading of the  
09:10AM 15 contract would be that it is forfeitable  
09:10AM 16 under the analysis.

09:10AM 17 Q. Right. So under Mawson's reading  
09:10AM 18 of the contract, if Celsius fell short by one  
09:10AM 19 rig, the entire deposit is forfeitable?

09:11AM 20 A. In that hypothetical situation,  
09:11AM 21 yes.

09:11AM 22 Q. Do you think that's a just result?

09:11AM 23 MR. MARTOS: Object to form.

09:11AM 24 MR. MCCARRICK: Only a lawyer  
09:11AM 25 would object to that question.

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09:16AM 2 the Company will continue as a going  
09:16AM 3 concern"?

09:16AM 4 A. I do.

09:16AM 5 Q. Was that accurate or inaccurate?

09:16AM 6 A. The analysis included that, yes.

09:17AM 7 Q. Okay. Then, ultimately, ended up  
09:17AM 8 not being the case, fair?

09:17AM 9 MR. MARTOS: Object to form.

09:17AM 10 A. I don't agree with that, but...

09:17AM 11 MR. MCCARRICK: Let's go to page  
09:17AM 12 30 of the PDF, Luna '671. And I would  
09:17AM 13 like to blow up the last paragraph.

09:17AM 14 Q. Do you see the last sentence that  
09:17AM 15 says, "We have an aggregate of \$22.94 million  
09:17AM 16 of debt and 15.33 million of customer  
09:17AM 17 deposits that is required to be repaid within  
09:17AM 18 eleven months unless we refinance or  
09:17AM 19 renegotiate the terms"?

09:17AM 20 A. Yes, I see that.

09:17AM 21 Q. That \$15.33 million of customer  
09:17AM 22 deposits is referring to the Celsius  
09:17AM 23 deposits, correct?

09:17AM 24 A. It is.

09:17AM 25 Q. And as of May 2023, Mawson is

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09:25AM 2 right?

09:25AM 3 MR. MARTOS: Object to form.

09:25AM 4 A. So the -- there are an awful lot  
09:25AM 5 of factors in this to consider. But the  
09:25AM 6 legal view at the time was to disclose, as  
09:25AM 7 has been, to the SEC. If the legal view is  
09:26AM 8 changed, that happens.

09:26AM 9 Q. Okay. Just -- that's a fair and a  
09:26AM 10 fine answer. But let's just all be upfront  
09:26AM 11 about it.

09:26AM 12 The difference is that Mawson's  
09:26AM 13 legal view changed between when it made this  
09:26AM 14 securities filing and when it -- I guess,  
09:26AM 15 withdrawn.

09:26AM 16 Mawson's legal view, as of the  
09:26AM 17 time of the securities filing, was that it  
09:26AM 18 does owe this money, right?

09:26AM 19 MR. MARTOS: Object to form.

09:26AM 20 To the extent that you can  
09:26AM 21 answer the question without disclosing  
09:26AM 22 privileged information, please do.

09:26AM 23 A. The document -- the sentence  
09:26AM 24 highlighted says that the amount is to be  
09:26AM 25 repaid.



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09:27AM 2 Q. And Mawson's position has changed  
09:27AM 3 since then?

09:27AM 4 A. Yes.

09:27AM 5 Q. The facts haven't changed, right?

09:27AM 6 A. No.

09:27AM 7 MR. MCCARRICK: Okay. We can  
09:27AM 8 set that document aside.

09:27AM 9 Is this a good time for a break?

09:27AM 10 MR. MARTOS: Up to you. We can  
09:27AM 11 keep going. I want to just flag that  
09:27AM 12 Mr. Broadfoot is now at 11:30 p.m. in  
09:27AM 13 the evening. So I'm not sure how much  
09:27AM 14 you have left, but if there's a way to  
09:27AM 15 push through with limited breaks,  
09:27AM 16 we're happy to do that.

09:27AM 17 If we need to take a different  
09:27AM 18 approach, then we understand that as  
09:27AM 19 well. But it will be limited by the  
09:27AM 20 witness's capacity to continue going  
09:27AM 21 late into the evening.

09:27AM 22 MR. MCCARRICK: Yeah. Yeah.  
09:27AM 23 Just two points to make on that.

09:28AM 24 The first thing I would say is,  
09:28AM 25 you've taken two breaks so far. This

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09:58AM 2 has to be paid back to Celsius at the end of  
09:58AM 3 the contract?

09:58AM 4 A. Any deposits.

09:58AM 5 Q. Okay. And it's your testimony  
09:58AM 6 that Mr. -- that Mawson's COO got that wrong,  
09:58AM 7 correct?

09:58AM 8 A. At the time of that conversation,  
09:58AM 9 his understanding would not have been  
09:59AM 10 incorrect, that deposits were planning to be  
09:59AM 11 repaid at the end of the contract.

09:59AM 12 Q. Right. So sitting here in  
09:59AM 13 April 2022, Mawson's COO was correct that at  
09:59AM 14 the end of the contract, all things as they  
09:59AM 15 were, at least as of that date, Mawson is  
09:59AM 16 obligated to refund Celsius' deposits at the  
09:59AM 17 end of the contract, correct?

09:59AM 18 A. That is his view, yes.

09:59AM 19 Q. And that was the same view that  
09:59AM 20 Mawson took in its May 2023 10-Q securities  
09:59AM 21 filing that we just reviewed a little  
09:59AM 22 earlier, correct?

09:59AM 23 A. Correct.

09:59AM 24 Q. Okay. Let's --

09:59AM 25 MR. MCCARRICK: You can take

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10:02AM 2 A. That's correct.

10:02AM 3 Q. In May of 2022, Mawson was

10:02AM 4 obligated to refund the full deposit amount

10:02AM 5 at the end of the contract, correct?

10:02AM 6 A. Correct.

10:02AM 7 Q. Let's look at the next e-mail up

10:02AM 8 in the chain, which starts on page 2 and

10:02AM 9 continues on page 3. It's from Jenny Fan at

10:02AM 10 Celsius to Ms. Schmidt and the rest of the

10:02AM 11 e-mail chain.

10:02AM 12 Do you see that?

10:02AM 13 A. I do.

10:02AM 14 Q. Do you see where it says, "Please

10:02AM 15 send us the actual hosting bill for April.

10:02AM 16 We'd like to see the actual amount and should

10:02AM 17 also apply to the deposits that we made."

10:02AM 18 Do you see that?

10:02AM 19 A. I do.

10:02AM 20 Q. So here in May of 2022, Celsius is

10:03AM 21 asking to offset the actual power cost bill

10:03AM 22 against the deposits it's already paid,

10:03AM 23 correct?

10:03AM 24 A. I believe it's confirming how it

10:03AM 25 should treat invoices between the two finance

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10:34AM 2 A. It could have. I'd need to  
10:34AM 3 confirm.

10:34AM 4 Q. Do you not know, sitting here  
10:34AM 5 today?

10:34AM 6 A. Not with confidence to say under  
10:34AM 7 oath on that. We can provide proof of the  
10:34AM 8 payments.

10:34AM 9 Q. Okay. Let's look at the first  
10:34AM 10 e-mail in the chain.

10:34AM 11 Mr. Manning writes, "Joseph Just  
10:34AM 12 further to our conversation. To make this  
10:34AM 13 work in the timeframes we have, we will be  
10:34AM 14 using proceeds against existing orders...in  
10:34AM 15 the system."

10:34AM 16 Do you see that?

10:34AM 17 A. I do.

10:34AM 18 Q. And that's consistent with what  
10:34AM 19 you testified earlier, right? Which is that  
10:34AM 20 the equipment was going to be subject to  
10:35AM 21 existing orders that Mawson and Cosmos had  
10:35AM 22 already placed, correct?

10:35AM 23 A. Correct.

10:35AM 24 Q. And it says, "using proceeds  
10:35AM 25 against" those "existing orders."

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10:35AM 2 Do you see that?

10:35AM 3 A. I do.

10:35AM 4 Q. And it's your testimony that  
10:35AM 5 Mawson, sitting here today, can't say one way  
10:35AM 6 or the other whether or not those proceeds  
10:35AM 7 came from a Luna bank account, correct?

10:35AM 8 A. I can't recall at this time.

10:35AM 9 Q. All right. Do you see where it  
10:35AM 10 says, "I" -- I think that's supposed to be an  
10:35AM 11 "it" -- "will be the case that some of these  
10:35AM 12 will be internal, inter-group invoices that  
10:35AM 13 existing equipment that will be located in  
10:35AM 14 PA."

10:35AM 15 Do you see that?

10:35AM 16 A. I do.

10:35AM 17 Q. Are you aware of a single  
10:35AM 18 internal, inter-group invoice between Mawson,  
10:35AM 19 Cosmos, and/or Luna for equipment located in  
10:35AM 20 PA?

10:35AM 21 A. No.

10:35AM 22 Q. Right. Because your testimony was  
10:36AM 23 that based on your review of the asset  
10:36AM 24 registers, at no point did Luna ever own any  
10:36AM 25 of the equipment or MDCs located in PA,

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10:36AM 2 correct?

10:36AM 3 A. Correct.

10:36AM 4 Q. Okay. So when Mr. Manning says,  
10:36AM 5 "some of these will be internal, inter-group  
10:36AM 6 invoices," are you aware of any efforts that  
10:36AM 7 Mawson took after this e-mail was sent to  
10:36AM 8 make those kinds of internal, inter-group  
10:36AM 9 invoices?

10:36AM 10 A. I'm not aware of any.

10:36AM 11 Q. All right. Do you see when it  
10:36AM 12 says, a few sentences later, "We will in due  
10:36AM 13 course get the full details of this and raise  
10:36AM 14 an inter-group invoice for the MDC"?

10:36AM 15 A. I do.

10:36AM 16 Q. Did that ever happen?

10:36AM 17 A. No.

10:36AM 18 Q. Why not?

10:37AM 19 A. I don't have an answer to that.

10:37AM 20 Q. Do you know if Celsius was ever  
10:37AM 21 informed that this didn't happen?

10:37AM 22 A. I know that they've been informed  
10:37AM 23 because they are not in the correct entities.  
10:37AM 24 I do not know the earliest date at which they  
10:37AM 25 were informed.

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10:50AM 2 supposed to, under the deployment schedule,  
10:50AM 3 be able to host 30,000 units in June of 2022,  
10:50AM 4 correct?

10:50AM 5 A. I believe it was July, but the  
10:50AM 6 point is the same.

10:50AM 7 Q. So just to be clear, under the  
10:50AM 8 deployment schedule, Mawson was supposed to  
10:50AM 9 be able to deploy 30,000 Celsius units by  
10:50AM 10 July of 2022, correct?

10:50AM 11 A. Correct.

10:51AM 12 Q. And Mawson did not offer Celsius  
10:51AM 13 the ability to deploy the full balance of  
10:51AM 14 those 30,000 units until May or June of 2023,  
10:51AM 15 correct?

10:51AM 16 A. That's correct.

10:51AM 17 Q. So it took Mawson nearly a year to  
10:51AM 18 offer Celsius the full hosting capacity it  
10:51AM 19 was supposed to provide Celsius as of  
10:51AM 20 July 2022?

10:51AM 21 A. That's correct.

10:51AM 22 Q. And it's -- and in May and June of  
10:51AM 23 2023, Mawson offered to unhook 10,000 of its  
10:51AM 24 rigs to put 10,000 more of Celsius rigs  
10:51AM 25 online, correct?

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10:55AM 2 A. I don't have the monthly figures  
10:55AM 3 at hand of the self-miners deployed.

10:55AM 4 Q. We are talking thousands?

10:55AM 5 A. Yes.

10:55AM 6 Q. Okay. So at any point between  
10:55AM 7 July -- yeah, go ahead.

10:55AM 8 A. The figures are publicly available  
10:55AM 9 in the monthly updates to check. I just  
10:55AM 10 could not recall a specific month on hand to  
10:55AM 11 get the number correct. I'm not avoiding.

10:55AM 12 Q. Okay. Yeah, no, I understand  
10:56AM 13 that. And I'm just asking for a rough order  
10:56AM 14 of magnitude. So we can do the questioning  
10:56AM 15 in the abstract, right, as long as we agree  
10:56AM 16 that they were numbering in the thousands and  
10:56AM 17 that the numbering varied over time, that's  
10:56AM 18 fair?

10:56AM 19 A. Yes, that's correct.

10:56AM 20 Q. Okay. So between July 2022 and  
10:56AM 21 April 2023, did Mawson ever offer to unhook  
10:56AM 22 its thousands of rigs that it was using for  
10:56AM 23 self mining to put additional Celsius rigs  
10:56AM 24 online in accordance with the schedule  
10:56AM 25 provided for in the Co-Location Agreement?



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10:56AM 2 A. No, it did not.

10:56AM 3 Q. Why?

10:56AM 4 A. It needed to maintain some self  
10:56AM 5 mining to be able to make enough money to  
10:56AM 6 continue to operate.

10:56AM 7 Q. Okay. And so the commercial  
10:56AM 8 decision that Mawson made was that it was  
10:56AM 9 more economical to self mine than to offer  
10:57AM 10 Celsius the number of spots it was owed under  
10:57AM 11 the Co-Location Agreement, correct?

10:57AM 12 A. The agreement for co-location was  
10:57AM 13 to build out facilities and host them, not to  
10:57AM 14 remove from existing operations to replace  
10:57AM 15 with Celsius.

10:57AM 16 Q. So I understand that. I was just  
10:57AM 17 talking about why your generous offer of  
10:57AM 18 unhooking 10,000 rigs didn't come sooner.

10:57AM 19 And so my question is: At any  
10:57AM 20 point during the parties' agreement, Mawson  
10:57AM 21 could have offered to unhook its thousands of  
10:57AM 22 rigs to offer Celsius the number of spaces  
10:57AM 23 that it otherwise would be entitled to under  
10:57AM 24 the Co-Location Agreement if the facilities  
10:57AM 25 had not been behind, in terms of

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11:01AM 2 number of rig spaces at its Pennsylvania  
11:01AM 3 facilities that were called for under the  
11:01AM 4 schedule in the Co-Location Agreement?

11:01AM 5 A. Correct.

11:01AM 6 Q. I -- would you agree with me that  
11:01AM 7 it would make little commercial sense for  
11:01AM 8 Celsius to send rigs when there was not  
11:01AM 9 capacity to host them?

11:01AM 10 A. No. It -- Celsius did not have  
11:02AM 11 them deployed elsewhere. There is no  
11:02AM 12 commercial reason to not deliver them.

11:02AM 13 Q. So it's Mawson's view that Celsius  
11:02AM 14 should undertake the expense of shipping rigs  
11:02AM 15 that will sit idle?

11:02AM 16 A. At the time that it was due to  
11:02AM 17 ship, it could not have said with certainty  
11:02AM 18 that they were going to sit idle.

11:02AM 19 Q. Well, there were times when Mawson  
11:02AM 20 asked Celsius not to send rigs, correct?

11:02AM 21 A. There is communication for  
11:02AM 22 scheduling deliveries that asked them to  
11:02AM 23 delay some.

11:02AM 24 Q. And there were communications  
11:03AM 25 where Mawson asked Celsius to delay rig